



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-137; C-570-138]

Pentafluoroethane (R-125) From the People's Republic of China: Antidumping and Countervailing Duty Orders

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: Based on affirmative final determinations by the U.S. Department of Commerce (Commerce) and the U.S. International Trade Commission (ITC), Commerce is issuing antidumping duty (AD) and countervailing duty (CVD) orders on pentafluoroethane (R-125) from the People's Republic of China (China).

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Alex Wood (AD) or Adam Simons (CVD), AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1959 or (202) 482-6172, respectively.

SUPPLEMENTARY INFORMATION:

Background

In accordance with sections 705(d) and 735(d) of the Tariff Act of 1930, as amended (the Act), on January 10, 2022, Commerce published its affirmative final determination of sales at less than fair value (LTFV)¹ and its affirmative final determination that countervailable subsidies are being provided to producers and exporters of R-125 from China.² On February 23, 2022, the ITC notified Commerce of its final affirmative determinations that an industry in the United

¹ See *Pentafluoroethane (R-125) from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances, in Part*, 87 FR 1117 (January 10, 2022) (*LTFV Final Determination*).

² See *Pentafluoroethane (R-125) from the People's Republic of China: Final Affirmative Countervailing Duty Determination*, 87 FR 1110 (January 10, 2022) (*CVD Final Determination*).

States is materially injured by reason of LTFV imports and subsidized imports of R-125 from China, within the meaning of sections 705(b)(1)(A)(i) and 735(b)(1)(A)(i) of the Act.³

Scope of the Orders

The products covered by these orders are R-125 from China. For a complete description of the scope of the orders, *see* Appendix I to this notice.

Antidumping Duty Order

On February 23, 2022, in accordance with section 735(d) of the Act, the ITC notified Commerce of its final determination that an industry in the United States is materially injured within the meaning of section 735(b)(1)(A)(i) of the Act by reason of imports of R-125 from China.⁴ Therefore, Commerce is issuing this AD order in accordance with sections 735(c)(2) and 736 of the Act. Because the ITC determined that imports of R-125 from China are materially injuring a U.S. industry, unliquidated entries of such merchandise from China entered, or withdrawn from warehouse, for consumption are subject to the assessment of antidumping duties.

Therefore, in accordance with section 736(a)(1) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by Commerce, antidumping duties equal to the amount by which the normal value of the merchandise exceeds the export price (or constructed export price) of the merchandise for all relevant entries of R-125 from China. Antidumping duties will be assessed on unliquidated entries of R-125 from China entered, or withdrawn from warehouse, for consumption on or after August 17, 2021, the date of publication of the *LTFV Preliminary Determination*, but will not be assessed on entries occurring after the expiration of the provisional measures period and before publication of the ITC's final affirmative injury determination, as further described below.⁵

³ See ITC's Letter, Notification of ITC Final Determinations, dated February 23, 2022 (ITC Notification).

⁴ *Id.*

⁵ See *Pentafluoroethane (R-125) from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances, in Part, Postponement of Final Determination, and Extension of Provisional Measures*, 86 FR 45959 (August 17, 2021) (*LTFV Preliminary Determination*).

Continuation of Suspension of Liquidation – AD

In accordance with section 736 of the Act, we will instruct CBP to continue to suspend liquidation on all relevant entries of R-125 from China entered, or withdrawn from warehouse, for consumption on or after the date of publication of the ITC's final affirmative injury determinations in the *Federal Register*. These instructions suspending liquidation will remain in effect until further notice. For each producer and exporter combination, Commerce will also instruct CBP to require cash deposits for estimated antidumping duties equal to the cash deposit rates listed below.

Accordingly, effective on the date of publication of the ITC's final affirmative injury determination, CBP will require, at the same time as an importer of record would normally deposit estimated duties on the subject merchandise, a cash deposit for each entry of subject merchandise equal to the cash deposit rates listed below.⁶ As stated in the *LTFV Final Determination*, Commerce made certain adjustments for export subsidies from the *CVD Final Determination* to the estimated weighted-average dumping margins to determine each of the cash deposit rates.

Producer	Exporter	Estimated Weighted-Average Dumping Margin (percent)	Cash Deposit Rate (Adjusted for Subsidy Offsets) (percent)
Zhejiang Sanmei Chemical Ind. Co., Ltd.	Zhejiang Sanmei Chemical Ind. Co., Ltd.	277.95	267.41
Fujian Qingliu Dongying Chemical Ind. Co., Ltd.	Zhejiang Sanmei Chemical Ind. Co., Ltd.	277.95	267.41
Producers Supplying the Non-Individually-Examined Exporters Receiving Separate Rates (see Appendix II)	Non-Individually-Examined Exporters Receiving Separate Rates (see Appendix II)	277.95	267.41
China-Wide Entity ⁷		278.05	267.51

⁶ See section 736(a)(3) of the Act.

⁷ The China-wide entity also includes Zhejiang Quzhou Juxin Fluorine Chemical Co., Ltd.

Provisional Measures – AD

Section 733(d) of the Act states that suspension of liquidation pursuant to an affirmative preliminary determination may not remain in effect for more than four months, except that Commerce may extend the four-month period to no more than six months at the request of exporters representing a significant proportion of exports of the subject merchandise. Commerce published its *LTFV Preliminary Determination* on August 17, 2021.⁸ Therefore, the six-month period beginning on the date of publication of the *LTFV Preliminary Determination* ended on February 12, 2022.

Therefore, in accordance with section 733(d) of the Act, Commerce will instruct CBP to terminate the suspension of liquidation and to liquidate, without regard to antidumping duties, unliquidated entries of R-125 from China entered, or withdrawn from warehouse, for consumption after February 12, 2022, the date on which the provisional measures expired, through the day preceding the date of publication of the ITC's final affirmative injury determination in the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC's final affirmative injury determination in the *Federal Register*.

Critical Circumstances – AD

With regard to the ITC's negative critical circumstances determination on R-125 from China, we will instruct CBP to lift suspension and to refund all cash deposits made to secure the payment of estimated antidumping duties with respect to entries of R-125 from China entered, or withdrawn from warehouse, for consumption on or after May 19, 2021 (*i.e.*, 90 days prior to the date of publication of the *LTFV Preliminary Determination*), but before August 17, 2021 (*i.e.*, the date of publication of the *LTFV Preliminary Determination*).

Countervailing Duty Order

On February 23, 2022, in accordance with section 705(d) of the Act, the ITC notified Commerce of its final determination that an industry in the United States is materially injured

⁸ See *LTFV Preliminary Determination*.

within the meaning of section 705(b)(1)(A)(i) of the Act by reason of imports of R-125 from China.⁹ Therefore, Commerce is issuing this CVD order in accordance with sections 705(c)(2) and 706 of the Act. Because the ITC determined that imports of R-125 from China are materially injuring a U.S. industry, unliquidated entries of such merchandise from China entered, or withdrawn from warehouse, for consumption are subject to the assessment of countervailing duties.

Therefore, in accordance with section 706(a)(1) of the Act, Commerce will direct CBP to assess, upon further instruction by Commerce, countervailing duties on all relevant entries of R-125 from China. Countervailing duties will be assessed on unliquidated entries of R-125 from China which are entered, or withdrawn from warehouse, for consumption on or after June 25, 2021, the date of publication of the *CVD Preliminary Determination*,¹⁰ but will not be assessed on entries occurring after the expiration of the provisional measures period and before publication of the ITC's final affirmative injury determination, as further described below.

Suspension of Liquidation - CVD

In accordance with section 706 of the Act, we will instruct CBP to reinstitute suspension of liquidation on all relevant entries of R-125 from China, effective on the date of publication of the ITC's final affirmative injury determination in the *Federal Register*, and to assess, upon further instruction by Commerce, pursuant to section 706(a)(1) of the Act, countervailing duties for each entry of the subject merchandise in an amount based on the net countervailable subsidy rate for the subject merchandise. These instructions suspending liquidation will remain in effect until further notice. Commerce will also instruct CBP to require cash deposits equal to the amounts as indicated below. Accordingly, effective on the date of publication of the ITC's final affirmative injury determination, CBP will require, at the same time as importers would normally

⁹ See ITC Notification.

¹⁰ See *Pentafluoroethane (R-125) from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 86 FR 33648 (June 25, 2021) (*CVD Preliminary Determination*).

deposit estimated duties on the subject merchandise, a cash deposit for each entry of subject merchandise equal to the subsidy rates listed below.¹¹ The all-others rate applies to all producers or exporters not specifically listed below, as appropriate.

Company	Subsidy Rate (percent)
Arkema Daikin Advanced Fluorochemicals (Changsu) Co., Ltd.	291.26
Daikin Fluorochemicals (China) Co., Ltd.	291.26
Hongkong Richmax Ltd.	291.26
Weitron International Refrigeration Equipment (Kunshan) Co., Ltd.	291.26
Zhejiang Quzhou Juxin Fluorine Chemical Co., Ltd. ¹²	3.23
Zhejiang Sanmei Chemical Ind. Co., Ltd. ¹³	2.31
All Others	3.12

Provisional Measures – CVD

Section 703(d) of the Act states that suspension of liquidation instructions issued pursuant to an affirmative preliminary determination may not remain in effect for more than four months. Commerce published its *CVD Preliminary Determination* on June 25, 2021. Therefore, the provisional measures period, beginning on the date of publication of the *CVD Preliminary Determination*, ended on October 22, 2021. Pursuant to section 707(b) of the Act, the collection of cash deposits at the rate listed above will begin on the date of publication of the ITC's final affirmative injury determinations.

Therefore, in accordance with section 703(d) of the Act, Commerce instructed CBP to terminate the suspension of liquidation and to liquidate, without regard to countervailing duties, unliquidated entries of R-125 from China entered, or withdrawn from warehouse, for consumption after October 22, 2021, the date on which the provisional measures expired,

¹¹ See section 706(a)(3) of the Act.

¹² Commerce has found the following companies to be cross-owned with Zhejiang Quzhou Juxin Fluorine Chemical Co., Ltd.: Juhua Group Corporation; Zhejiang Juhua Co., Ltd.; Ningbo Juhua Chemical & Science Co., Ltd.; Zhejiang Quzhou Fluoxin Chemicals Co., Ltd.; and Zhejiang Juhua Chemical Mining Co., Ltd.

¹³ Commerce has found the following company to be cross-owned with Zhejiang Sanmei Chemical Ind. Co., Ltd.: Fujian Qingliu Dongying Chemical Ind. Co. Ltd.

through the day preceding the date of publication of the ITC's final injury determination in the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC's final affirmative injury determination in the *Federal Register*.

Critical Circumstances – CVD

With regard to the ITC's negative critical circumstances determination on imports of R-125 from China, we intend to instruct CBP to lift suspension and to refund any cash deposits made to secure the payment of estimated countervailing duties with respect to entries of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after March 27, 2021 (*i.e.*, 90 days prior to the date of the publication of the *CVD Preliminary Determination*), but before June 25, 2021 (*i.e.*, the date of publication of the *CVD Preliminary Determination*).

Establishment of the Annual Inquiry Service List

On September 20, 2021, Commerce published the final rule titled “Regulations to Improve Administration and Enforcement of Antidumping and Countervailing Duty Laws” in the *Federal Register*.¹⁴ On September 27, 2021, Commerce also published the notice titled “Scope Ruling Application; Annual Inquiry Service List; and Informational Sessions” in the *Federal Register*.¹⁵ The *Final Rule* and *Procedural Guidance* provide that Commerce will maintain an annual inquiry service list for each order or suspended investigation, and any interested party submitting a scope ruling application or request for circumvention inquiry shall serve a copy of the application or request on the persons on the annual inquiry service list for that order, as well as any companion order covering the same merchandise from the same country of origin.¹⁶

¹⁴ See *Regulations to Improve Administration and Enforcement of Antidumping and Countervailing Duty Laws*, 86 FR 52300 (September 20, 2021) (*Final Rule*).

¹⁵ See *Scope Ruling Application; Annual Inquiry Service List; and Informational Sessions*, 86 FR 53205 (September 27, 2021) (*Procedural Guidance*).

¹⁶ *Id.*

In accordance with the *Procedural Guidance*, for orders published in the *Federal Register* after November 4, 2021, Commerce will create an annual inquiry service list segment in Commerce’s online e-filing and document management system, Antidumping and Countervailing Duty Electronic Service System (ACCESS), available at <https://access.trade.gov>, within five business days of publication of the notice of the order. Each annual inquiry service list will be saved in ACCESS, under each case number, and under a specific segment type called “AISL-Annual Inquiry Service List.”¹⁷

Interested parties who wish to be added to the annual inquiry service list for an order must submit an entry of appearance to the annual inquiry service list segment for the order in ACCESS within 30 days after the date of publication of the order. For ease of administration, Commerce requests that law firms with more than one attorney representing interested parties in an order designate a lead attorney to be included on the annual inquiry service list. Commerce will finalize the annual inquiry service list within five business days thereafter. As mentioned in the *Procedural Guidance*, the new annual inquiry service list will be in place until the following year, when the *Opportunity Notice* for the anniversary month of the order is published.

Commerce may update an annual inquiry service list at any time as needed based on interested parties’ amendments to their entries of appearance to remove or otherwise modify their list of members and representatives, or to update contact information. Any changes or announcements pertaining to these procedures will be posted to the ACCESS website at <https://access.trade.gov>.

Special Instructions for Petitioners and Foreign Governments

In the *Final Rule*, Commerce stated that, “after an initial request and placement on the annual inquiry service list, both petitioners and foreign governments will automatically be placed

¹⁷ This segment will be combined with the ACCESS Segment Specific Information (SSI) field, which will display the month in which the notice of the order or suspended investigation was published in the *Federal Register*, also known as the anniversary month. For example, for an order under case number A-000-000 that was published in the *Federal Register* in January, the relevant segment and SSI combination will appear in ACCESS as “AISL-January Anniversary.” Note that there will be only one annual inquiry service list segment per case number, and the anniversary month will be pre-populated in ACCESS.

on the annual inquiry service list in the years that follow.”¹⁸ Accordingly, as stated above, the petitioner and the Government of China should submit their initial entry of appearance after publication of this notice in order to appear in the first annual inquiry service list. Pursuant to 19 CFR 351.225(n)(3), the petitioner and the Government of China will not need to resubmit their entries of appearance each year to continue to be included on the annual inquiry service list. However, the petitioner and the Government of China are responsible for making amendments to their entries of appearance during the annual update to the annual inquiry service list in accordance with the procedures described above.

Notification to Interested Parties

This notice constitutes the AD and CVD orders with respect to R-125 from China pursuant to sections 706(a) and 736(a) of the Act. Interested parties can find a list of duty orders currently in effect at <https://enforcement.trade.gov/stats/iastats1.html>.

These orders are published in accordance with sections 706(a) and 736(a) of the Act and 19 CFR 351.211(b).

Dated: February 25, 2022

Lisa W. Wang,
*Assistant Secretary
for Enforcement and Compliance.*

¹⁸ See *Final Rule*, 86 FR at 52335.

Appendix I

Scope of the Orders

The merchandise covered by these orders is pentafluoroethane (R-125), or its chemical equivalent, regardless of form, type or purity level. R-125 has the Chemical Abstracts Service (CAS) registry number of 354-33-6 and the chemical formula C₂HF₅. R-125 is also referred to as Pentafluoroethane, Genetron HFC 125, Khladon 125, Suva 125, Freon 125, and Fc-125.

R-125 contained in blends that do not conform to ANSI/ASHRAE Standard 34 is included in the scope of these orders when R-125 constitutes the largest relative component by volume, on an actual percentage basis, of the blend.¹⁹ However, R-125 incorporated into a blend that conforms to ANSI/ASHRAE Standard 34 is excluded from the scope of these orders. When R-125 is blended with other products and otherwise falls under the scope of these orders, only the R-125 component of the mixture is covered by the scope of these orders.

Subject merchandise also includes purified and unpurified R-125 that is processed in a third country or otherwise outside the customs territory of the United States, including, but not limited to, purifying, blending, or any other processing that would not otherwise remove the merchandise from the scope of the orders if performed in the country of manufacture of the in-scope R-125. The scope also includes R-125 that is commingled with R-125 from sources not subject to these orders. Only the subject component of such commingled products is covered by the scope of these orders.

Excluded from the scope is merchandise covered by the scope of the antidumping order on *Hydrofluorocarbon Blends from the People's Republic of China*, including merchandise subject to the affirmative anti-circumvention determination in *Hydrofluorocarbon Blends from the People's Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order; Unfinished R-32/R-125 Blends*, 85 FR 15428 (March 18, 2020). See *Hydrofluorocarbon Blends from the People's Republic of China: Antidumping Duty Order*, 81 FR 55436 (August 19, 2016) (the Blends Order).

R-125 is classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 2903.49.1010. Merchandise subject to the scope may also be entered under HTSUS subheadings 2903.49.0000 and 3827.11.0000, or 3827.39.0000. The HTSUS subheadings and CAS registry number are provided for convenience and customs purposes. The written description of the scope of the orders is dispositive.

¹⁹ “Largest relative component by volume, on an actual percentage basis” means that the percentage of R-125 contained in a blend is larger than the individual percentages of all the other components. For example, R-125 contained in a blend that does not conform to ANSI/ASHRAE Standard 34 and which contains 35% R-125 by volume is covered by the scope of the orders if no other component part of the blend equals or exceeds 35% of the volume of the blend.

Appendix II

Separate Rate Companies

Exporter	Producer
Non-Individually-Examined Exporters Receiving Separate Rates	Producers Supplying the Non-Individually- Examined Exporters Receiving Separate Rates
Huantai Dongyue International Trade Co. Ltd.	Jinhua Binglong Chemical Technology Co., Ltd.
Shandong Dongyue Chemical Co., Ltd.	Shandong Dongyue Chemical Co., Ltd.
Shandong Huaan New Material Co., Ltd.	Shandong Huaan New Material Co., Ltd.
T.T. International Co., Ltd./T.T. International Co., Limited ²⁰	Sinochem Environmental Protection Chemicals (Taicang) Co., Ltd.
T.T. International Co., Ltd./T.T. International Co., Limited	Zhejiang Quhua Fluor-Chemistry Co., Ltd.
T.T. International Co., Ltd./T.T. International Co., Limited	Zhejiang Sanmei Chemical Industry. Co., Ltd.
Zhejiang Yonghe Refrigerant Co., Ltd.	Jinhua Yonghe Fluorochemical Co., Ltd.
Zibo Feiyuan Chemical Co., Ltd.	Zibo Feiyuan Chemical Co., Ltd.

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²⁰ Commerce determined that T.T. International Co., Ltd. and T.T. International Co., Limited are a single entity (collectively, TTI).